

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

NIKE, INC.,

Plaintiff,

v.

STOCKX LLC,

Defendant.

Civil Action No.: 1:22-cv-00983-VEC

**DECLARATION OF JOE PALLETT IN SUPPORT OF NIKE, INC.'S MOTION FOR
SUMMARY JUDGMENT**

I, JOE PALLETT, declare and state as follows:

1. I am the Director of Brand Protection, Authentication and Innovation for Nike, Inc. ("Nike"). As a result of my position with Nike, I am intimately familiar with Nike's anti-counterfeiting activities, processes and measures, including the process by which Nike Brand Protection team members determine whether a product is a genuine Nike product, as well as Nike's determination that counterfeit "Nike" products were sold on StockX's platform. As part of my brand protection expertise and activities, I also have knowledge of the manufacturing process for Nike products.

2. This Declaration is based upon my personal knowledge of the facts stated herein or on the business records that were made at the time or in the regular course of business. If called as a witness, I could and would testify to the statements made herein.

Nike Brand Protection

3. Nike maintains strict quality control standards for products bearing Nike's trademarks. Genuine Nike products bearing Nike's trademarks are inspected and approved by Nike prior to distribution and sale.

4. Nike also maintains strict control over the use of its trademarks in connection with its products. Nike carefully determines the quantity of products are released and the when, where, and how the products are released.

5. As part of Nike's efforts to protect consumers and maintain control over its brand, reputation, and the goodwill it has spent decades building with its consumers, Nike aggressively works to keep the market clear of counterfeit "Nike" goods.

6. Nike also works hard to ensure that its genuine products are high quality. When fakes are permitted to infiltrate the market, Nike loses control of the manufacturing process and its ability to maintain strict quality control. Fakes undermine consumer confidence in the quality of genuine Nike products, erode the consumer experience, and damage the brand, reputation, and goodwill Nike has spent decades building.

7. Nike's manufacturing processes, standards, and policies are kept highly confidential. StockX does not have access to, nor is it authorized to access, those processes or Nike's proprietary authentication tools. Nike is not affiliated with, nor does it endorse, sponsor or approve of StockX's "authentication" process.

Test Purchases of "Nike" Shoes from StockX by Nike Investigators

8. On January 27, 2022, [REDACTED], purchased one pair of Jordan 1 Retro High White University Blue Black shoes in US Mens size 8.5 (style 555088-134), associated with StockX order number 32950992-32850751. A true and correct copy of the receipt associated with that pair and photograph of that pair was produced in this litigation by Nike and is attached to this declaration as **Exhibit 1** (NIKE0025902) and **Exhibit 2** (NIKE0005857).

9. On January 28, 2022, [REDACTED] purchased one pair of Jordan 1 Retro High White University Blue Black shoes in U.S. Men's size 8 (style 555088-134), associated with StockX order number 32985400-32885159. A true and correct copy of the receipt associated with that pair and photograph of that pair was produced in this litigation by Nike and is attached to this declaration as **Exhibit 3** (NIKE0025909) and **Exhibit 4** (NIKE0005873).

10. On January 28, 2022, [REDACTED], purchased one pair of Jordan 1 Retro High OG Patent Bred shoes in U.S. Men's size 9 (style 555088-063), associated with StockX order number 32986461-32886220. A true and correct copy of the receipt associated with that pair and photograph of that pair was produced in this litigation by Nike and is attached to this declaration as **Exhibit 5** (NIKE0027690) **Exhibit 6** (NIKE0005875).

11. [REDACTED] a member of Nike's Brand Protection Team sent them on April 19, 2022 from Nike European Headquarters to Nike World Headquarters in Beaverton, Oregon. A true and correct copy of the shipment tracking record of the pairs from Nike European Headquarters to Nike World Headquarters was produced in this litigation by Nike and is attached to this declaration as **Exhibit 7** (NIKE0040162-165).

12. [REDACTED] purchased one pair of Jordan 1 Retro High OG Patent Bred shoes in U.S. Men's size 12 (style 555088-063), associated with StockX order number 30695056-30594815. A true and correct copy of the receipt associated with that pair and photograph of that pair was produced in this litigation by Nike and is attached to this declaration as **Exhibit 8** (NIKE0027689) and **Exhibit 9** (NIKE0027691).

13. [REDACTED] retained custody of StockX order number 30695056-30594815 until January 13, 2022 when the shoes were sent to Nike Headquarters in Beaverton,

Oregon. A true and correct copy of [REDACTED] was produced in this litigation by Nike and is attached to this declaration as **Exhibit 10** (NIKE0040489).

The [REDACTED] Emails

14. On May 31, 2023, I reviewed a series of emails produced in this litigation by a former StockX customer [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Several of these included clear photographs of the suspected fake Nike-branded shoes, including the country of origin labels. Attached as **Exhibits 11-13** true and correct copy of the documents and images I reviewed.

15. [REDACTED]

[REDACTED]

[REDACTED] and determined that the footwear that StockX claimed was genuine but defective were counterfeit.

I declare under penalty of perjury under the laws of United States of America that the foregoing is true and correct.

Executed on August 8, 2023 in Beaverton, OR.

DocuSigned by:

Joe Pallett

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Joe Pallett

Director Brand Protection, Authentication
and Innovation, Nike, Inc